

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 776 - SB 775**

March 22, 2021

**SUMMARY OF ORIGINAL BILL:** Requires the Commissioner of the Department of Revenue (DOR), in consultation with the Commissioner of Finance and Administration (F&A) to deliver a report on COVID-19 related small business relief payments to the Finance, Ways, and Means Committees of the House of Representatives and the Senate no later than December 31, 2021.

**FISCAL IMPACT OF ORIGINAL BILL:**

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (004919):** Deletes all language after the enacting clause. Authorizes businesses to deduct from the excise tax any Coronavirus Aid, Relief, and Economic Security (CARES) Act funds and any of the various funds given to businesses in response to the COVID-19 pandemic from the state of Tennessee between March 1, 2020 and December 31, 2021.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Foregone State Revenue - \$7,800,000/FY21-22  
\$1,200,000/FY22-23**

Assumptions for the bill as amended:

- Based on information from DOR and F&A, the state would collect \$7,800,000 in excise tax collections in FY21-22 and \$1,200,000 in FY22-23. The Fiscal Review Committee staff cannot verify this amount or the companies it encompasses.
- Because these funds are not currently being collected, this is estimated to be foregone state revenue.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

Krista Lee Carsner, Executive Director

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